

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Notice of Market Dominant
Price Adjustment

Docket No. R2017-1

CHAIRMAN'S INFORMATION REQUEST NO. 9

(Issued November 3, 2016)

To further clarify the Postal Service's Notice of Market Dominant Rate Adjustment in Docket No. R2017-1,¹ the Postal Service is requested to provide written responses or additional filings, when appropriate, to the following questions. Responses should be provided as soon as they are developed, but no later than November 7, 2016.

Special Services

1. Please refer to the description of the basic standards for Collect on Delivery Service (COD), found in § 9.1.1 of the Domestic Mail Manual, and the Response of United States Postal Service to Question 5 of Chairman's Information Request No. 5.² Section 9.1.1 of the Domestic Mail Manual states that "[a]ny mailer may use COD to mail an article (using a unique COD number for each article) for which the mailer has not been paid and have its price *and the cost of the postage* collected (not to exceed \$1,000.00) from the addressee (or agent)." (emphasis added). The Postal Service's Response to CHIR No. 5 states that the proposed

¹ United States Postal Service Notice of Market Dominant Price Adjustment, October 12, 2016 (Notice). The Postal Service attached proposed revisions to the Mail Classification Schedule (MCS) to the Notice (Attachment A).

² Response of United States Postal Service to Question 5 of Chairman's Information Request No. 5, November 2, 2016 (Response to CHIR No. 5).

Collect on Delivery Hold for Pickup service “provides customers (*i.e., mailers who pay the COD fee*) with service equivalent to what is currently provided by Collect on Delivery (COD) service; a means to send items to recipients who have not paid for merchandise, with the payment for such merchandise collected by the Postal Service (and subsequently transmitted back to the sender) after the item is delivered.” Response to CHIR No. 5 at 1 (emphasis added). Additionally, the Postal Service states that “[t]his change primarily impacts the mail recipient, not the mailer who pays the COD fee.” *Id.*

- a. Please confirm that both the addressee and the party entering a COD mailing are each separately responsible for the cost of postage. If not confirmed, please explain.
- b. Please identify all monies that would be paid by both the addressee and the party entering a hypothetical COD package with a COD value of \$100.00, mailed using a medium Priority Mail Flat Rate box. Please provide the answer for both the addressee making the payment with cash and with a check.
- c. Please confirm that the classification changes proposed in this docket do not change payment responsibility for COD.
- d. Please reconcile the discrepancy between the Domestic Mail Manual’s description of COD payment and the Postal Service’s Response to CHIR No. 5.

By the Acting Chairman.

Robert G. Taub